

[METHOD OF INVESTING REAL ESTATE DOWN PAYMENTS]

Abstract

The method in which in a real estate transaction with a real estate buyer and a lender, the initial down payment made by the real estate buyer is used to generate earnings. Typically, this is provided by having the lender generate earnings from the down payment received from the buyer through compounding balloon loans. The down payment from the buyer is used as security against the mortgage on behalf of the lender. Using the present invention, both the lender and the buyer have the potential of making additional earnings by using the cash down payment provided by the buyer as a source for generating earnings for the benefit of all the parties.